

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company
for Authority, Among Other Things, To Increase
Revenue Requirements for Electric and Gas
Service and to Increase Rates and Charges for Gas
Service Effective on January 1, 2003.

(U 39 M)

Application 02-11-017
(Filed November 8, 2002)

Investigation on the Commission's Own Motion
into the Rates, Operations, Practices, Service and
Facilities of Pacific Gas and Electric Company.

Investigation 03-01-012
(Filed January 16, 2003)

Application of Pacific Gas and Electric Company
Pursuant to Resolution E-3770 for
Reimbursement of Costs Associated with Delay
in Implementation of PG&E's New Customer
Information System Caused by the 2002 20/20
Customer Rebate Program.

(U 39 E)

Application 02-09-005
(Filed September 6, 2002)

**ASSIGNED COMMISSIONER'S RULING ESTABLISHING SCOPE,
SCHEDULE, AND PROCEDURES FOR PROCEEDING**

Pursuant to Rules 6(a)(3) and 6.3 of the Commission's Rules of Practice and
Procedure,¹ this ruling sets forth the procedural schedule, assigns the principal

¹ All references to Rules are to the Commission's Rules of Practice and Procedure found
in Title 20 of the California Code of Regulations.

hearing officer, and addresses the scope of these proceedings following the prehearing conference (PHC) held January 28, 2003. This ruling is appealable only as to category of these proceedings under the procedures in Rule 6.4.

1. Consolidation of Proceedings

Under Rule 6.1, on December 17, 2002, the Commission preliminarily categorized Application (A.) 02-11-017, the application of Pacific Gas and Electric Company (PG&E) for its Test Year 2003 General Rate Case as ratesetting as defined in Rule 5(c) and determined that the matter should be set for hearing. (Resolution ALJ 176-3103.) Investigation (I.03-01-012) was categorized as ratesetting in the opening investigation. A.02-09-005 was preliminarily categorized as ratesetting in Resolution ALJ 176-3095 on September 19, 2002. By this ruling, these proceedings are consolidated.

2. Categorization, Need for Hearings, Ex Parte Rules and Designation of Principal Hearing Officer

The parties agree with the Commission's preliminary categorization of these proceedings, and I affirm the preliminary categorizations of ratesetting and the need for hearing. The *ex parte* rules as set forth in Rule 7(c) and Pub. Util. Code § 1701.3(c)² apply.

In a ratesetting proceeding, Rule 5(k)(2) defines the presiding officer as the principal hearing officer designated as such by the assigned Commissioner prior to the first hearing in the proceeding. I have designated Administrative Law Judge (ALJ) Michelle Cooke as the principal hearing officer. In June 2003, ALJ Julie Halligan will takeover as the principal hearing officer. The provisions of § 1701.3(a) apply.

3. Scoping Memo

By definition, the scope of a GRC is necessarily broad. Unless otherwise stated, any matters raised by the application or which may be reasonably inferred from the proposals therein are within the scope of the proceeding. I.03-02-012 makes clear that the Commission will seek proposals other than PG&E's, and that the proceeding will "study and determine issues surrounding PG&E's revenue requirement, rates, practices, service, facilities, and maintenance practices." (P. 2.)

In particular, the ALJ and I have asked PG&E to supplement its showing in several areas: PG&E's reliability performance; workforce diversity; compliance with Pub. Util. Code § 739.10; provision of 1999 authorized and recorded data into the results of operations tables; illustrative rate showing; and integrated resource planning. Each area is discussed in more detail below, as well as several other scoping issues that were discussed at the PHC.

3.1. Diablo Canyon Independent Safety Committee

On March 12, 2003, PG&E will host a meet and confer to develop procedural recommendations regarding how issues surrounding the Diablo Canyon Independent Safety Committee should be handled. The procedural recommendation should address the need for testimony on this subject, whether the pending petition to modify by Mothers for Peace in A.00-11-038 et al. should be addressed in these proceedings, the possibility for settlement or stipulation, and propose a schedule. Once the recommendation is received, the ALJ and I will rule on how to proceed on this issue.

² All section references are to the Public Utilities Code unless otherwise indicated.

3.2. Generation Revenue Requirement Revision

PG&E will serve revised testimony regarding generation revenue requirement (Exhibit PG&E-10) by February 20, 2003. The purpose of the revision will be to remove aspects of the revenue requirement that will be addressed through the Energy Resource Recovery Account. This ruling confirms that reasonableness review and true-up of 2002 utility retained generation costs will be handled in a separate application.

3.3. Reasonableness of and Responsibility for Costs Associated with Delayed Implementation of Customer Information System

A.02-09-005 was filed by PG&E to seek recovery of costs associated with the delay in implementation of its new Customer Information System (CIS) required to implement the 2002 "20/20 Program." PG&E requests that the reasonableness of 2002 expenses and 2003 capital forecasts be found reasonable and that we determine whether ratepayers or the Department of Water Resources are responsible to pay these costs. This subject is within the scope of the proceeding. Parties should review PG&E's testimony served with A.02-09-005 and in A.02-11-017 and address both reasonableness and cost responsibility in their testimony.

3.4. Reliability Performance

Appendix A describes the scope of the supplemental testimony that PG&E will serve on March 17, 2003 as it relates specifically to PG&E's reliability performance. The issues described therein and related witnesses will be taken up first at the evidentiary hearings later this year, with the hope that a separate decision on these issues can be made prior to the 2003/2004 storm season. I emphasize that this testimony is not designed to focus only on PG&E's performance in the December 2002 storms or in individual circuits, but rather to

allow us to gain a fuller understanding of the resources PG&E invests in reliability, maintenance, and emergency response efforts and how resources are prioritized in order to allow us to provide additional direction, through the creation of relevant standards or metrics, by which its performance should be judged.

At the PHC, PG&E requested that it not be required to respond to outstanding data requests related to its reliability performance while it is preparing its supplemental testimony. I agree that it makes sense that PG&E not be required to respond to these data requests while it is simultaneously preparing its report. However, it is crucial that the parties receive timely responses to their outstanding data requests related to these and other topics. Therefore, I direct PG&E to respond to any data requests related to PG&E's reliability performance that are outstanding as of the date of this ruling either as part of its March 17, 2003 supplemental testimony or on March 17, 2003. Parties should withhold additional data requests on this topic until receipt of PG&E's March 17, 2003 supplemental testimony. PG&E should of course respond to all other outstanding data requests that are not related to this topic in the normal course of business.

3.5. Workforce Diversity

PG&E should serve testimony on March 17, 2003 regarding its workforce diversity over the last 10 years, as well as present and future plans regarding workforce diversity.

3.6. Compliance with § 739.10

Pub. Util. Code § 739.10 requires that the commission “ensure that errors in estimates of demand elasticity or sales do not result in material over or undercollections of the electrical corporations.” Therefore, PG&E should provide

testimony on March 17, 2003, to address how it intends to comply with this provision of the statute.

**3.7. Incorporation of 1999 Authorized and Recorded Data
In Results of Operations Tables**

By March 17, 2003, PG&E shall serve an update to its Results of Operations Exhibit to incorporate 1999 authorized and recorded data.

3.8. Illustrative Rate Showing

By March 17, 2003, PG&E shall serve a revised “Illustrative Rate Showing” consistent with the Energy Division finding regarding public purpose program rates. This showing does not impact the revenue requirement request and will be further explored in the rate design phase of this proceeding.

3.9. Integrated Resource Planning

For purposes of the testimony that PG&E will submit on April 7, 2003, regarding integrated resource planning, PG&E should assume that it will remain a vertically integrated utility responsible for procuring and providing resources to its customers and should identify the costs of staffing and supporting this responsibility. I direct PG&E and parties to rulings issued in A.02-05-004 et al. for guidance on the types of issues that testimony should address.

3.10. Use of 2003 Recorded Data

PG&E proposes that we not allow the use of 2003 recorded data during the proceeding, as the purpose of the proceeding is to set a forward looking Test Year 2003 revenue requirement. Several parties object to PG&E’s proposal. I agree with PG&E that introduction of 2003 recorded data complicates our efforts to conclude this proceeding in a timely manner. In essence, our responsibility in setting a Test Year 2003 revenue requirement is to assess

whether the forecasted 2003 revenue requirement is based on reasonable assumptions and consistent with the priorities we have for the company. Because PG&E does not have an adopted 2003 revenue requirement, actual spending in 2003 is not necessarily indicative of what PG&E would have spent if it had an authorized revenue requirement, and therefore is of limited value for our decision making process. For these reasons, only recorded data through 2002 shall be used in these proceedings. Given that we are not allowing the use of 2003 data, no update phase is required for determining the Test Year 2003 revenue requirement.

4. Other Issues

At the PHC, ALJ Cooke identified two additional documents that will be identified as Exhibits in these proceedings.

First, as required by D.00-02-046, Energy Division oversaw an audit of 1999 distribution capital additions. The audit was conducted by Stone & Webster and completed in 2002. The Final Report and Synopsis of Final Report should be served by Energy Division and described in Section 6 below by February 14, 2003. These documents will be marked as Reference Exhibits and can be utilized by parties as desired during these proceedings.

Second, as described at the PHC, we direct the Consumer Protection and Safety Division (CPSD) to prepare and serve an informational report describing and analyzing data collected during General Order 95 (GO 95) compliance inspections and in its incident database. The CPSD Report shall be served by March 10, 2003, consistent with the protocols described in Section 6, and will:

- analyze all data on hand from GO 95 compliance inspections of PG&E and will list storm related infractions³ found per inspection, by year, and by location.
- analyze all incidents reported by PG&E contained in its incident database and will list storm-related incident causes by year, and by county.
- analyze all incidents reported by PG&E contained in its incident database and will list by year, the number of incident investigations where PG&E was cited for GO 95 infractions.

Like the Stone & Webster reports, this document will be marked as a Reference Exhibit and can be utilized by parties as desired during these proceedings.

5. Schedule

The following schedule will be adhered to as closely as possible.

PHASE 1 PROCEDURAL SCHEDULE

Event	Date
Application Filed	11/8/2002
Prehearing Conference	1/28/2003
Stone & Webster Report Served by Energy Division	2/14/2003
PG&E Update of Exhibit PG&E-10 (Generation Revenue Requirement)	2/20/2003
CPSD Report Served	3/10/2003
Meet and Confer: Diablo Canyon Independent Safety Committee Issues	3/12/2003
PG&E Supplemental Testimony Served: PG&E Reliability Performance; Workforce Diversity;	3/17/2003

³ Storm related GO 95 infractions and incident causes are those which might increase the probability of infrastructure failure under conditions of high wind and heavy rain.

Compliance with § 739.10; Updated RO Exhibit/Tables to Include 1999 Data; Illustrative Rate Showing	
Workshops Begin	4/1/2003
Workshops End	4/4/2003
PG&E Supplemental Testimony Served: Integrated Resource Planning	4/7/2003
ORA Report Served (All Topics Except Those Specified for 4/28/2003)	4/11/2003
ORA Report on PG&E Reliability Performance and Integrated Resource Planning Served	4/28/2003
Intervenor Testimony on PG&E Reliability Performance Served	4/28/2003
Intervenor Testimony Served (All Topics Except Those Specified for 4/28/2003)	5/2/2003
Public Meetings	TBD
Rebuttal Testimony on PG&E Reliability Performance Served	5/12/2003
Scheduling Prehearing Conference	5/21/2003
Rebuttal Testimony Served	5/22/2003
Evidentiary Hearings Begin -- PG&E Reliability Performance Witnesses First; Case in Chief No Earlier Than 6/2/2003	5/28/2003
Evidentiary Hearing Break	6/23/2003
Evidentiary Hearings Resume	6/30/2003
Opening Briefs on PG&E Reliability Performance (Include Request for Final Oral Argument on These Topics with Brief)	7/7/2003
Reply Briefs on PG&E Reliability Performance	7/21/2003
Evidentiary Hearings End	7/25/2003
Comparison Exhibit	8/1/2003
Settlement Conference	TBD by parties
Opening Briefs (Include Request for Final Oral Argument with Brief)	8/25/2003
Reply Briefs	9/15/2003
ALJ Proposed Decision: PG&E Reliability Performance	10/23/2003
ALJ Proposed Decision	12/19/2003
Comments on PD	1/8/2004
Reply to PD Comments	1/13/2004

Oral Argument (Rule 76)	TBD
Decision	2/5/2004

In Section 1 of Senate Bill (SB) 960 (Ch.96-0856), the Legislature urges the Commission to resolve the issues within the scope of a proceeding categorized as ratesetting, such as this, within 18 months from the date of the filing of the application. The schedule that we have adopted should allow us to meet that goal. The procedural schedule set forth above is adopted for Phase 1 of this GRC. The Assigned Commissioner or the ALJ may modify the schedule as necessary.

The schedule includes a workshop. PG&E shall provide notice to the parties of the time and place of the workshop not less than 10 days prior to the first day of the workshop, consistent with the service protocols described in Section 6 below.

The schedule includes a second PHC to take place shortly before the commencement of the evidentiary hearings. The purpose will be to take up any motions to strike not previously resolved, the order and scheduling of witnesses, and other procedural issues. Parties should serve their estimates of cross-examination time no later than three days prior to the PHC.

Should any party request Commissioner presence at specific hearings, these requests should be received not less than 10 days prior to the beginning of evidentiary hearings, in accordance with Rule 8(c). Evidentiary hearings will take place in San Francisco. Public meetings will be held throughout the service territory. Details regarding locations for public meetings are still under discussion and will be verified in subsequent rulings.

As stated in the schedule above, and pursuant to Rule 8(d), parties requesting final oral argument before the Commission should include that request in their concurrent opening briefs.

5.1. Phase 2 Schedule

To account for the schedule adopted above, PG&E has filed a petition to modify the schedule for filing its Rate Design (Phase 2) showing. As proposed by PG&E, its Phase 2 showing would be due on August 6, 2003. No parties oppose this request. Both the ALJ and I find this modification reasonable and we will put forward a draft decision to formalize this finding as soon as practicable.

6. Document Website, Service, Filing, and Service List

At the PHC, parties agreed that we should try to reduce the burden of service on all parties by using electronic means for service and delivery of documents whenever possible. As such, the ALJ suggested that PG&E develop a “document website” where all documents that are served will be posted. PG&E has agreed to maintain such a document website. The protocols for having documents posted to the website are detailed in Appendix B.

With the establishment of the document website, parties may send a “notice of posting” electronically in lieu of e-mailing a copy of the document to the entire service list. ALL persons on the service list, including those listed under “Information Only” must receive the notice of posting. The notice of posting should include a brief description of the document and when it was sent to PG&E for posting. The subject line of the e-mail should include reference to these proceedings (A.02-11-017 et al.). Parties are NOT required to provide hard copy service to the service list unless a person granted appearance status or state service status does NOT have an e-mail address listed on the service list. It is the responsibility of the parties to ensure that the information listed for each of them on the service list is current and accurate. All parties shall honor all requests for hard copies of documents.

Documents must still be filed with the Commission's Docket Office. Because we are allowing service to be performed electronically, in order to accommodate parties who do not have ready access to Commission offices where filings are accepted, pleadings may be filed one day after their otherwise applicable due date provided that service is accomplished on the due date. Parties taking advantage of this authorization shall refer to this ruling so that Docket Office Examiners are alerted to the authorization. If you are not familiar with the filing requirements, please review the Commission's Rules of Practice and Procedure for all of the filing requirements.

Finally, prepared testimony is served on the service list but is NOT filed with the Docket Office. Therefore, if you chose to submit testimony, you need only follow the service requirements described above, including electronic service, but not the filing requirements.

The current service list for this proceeding is attached to this ruling. A copy of the service list for this proceeding is also available on the Commission's web page at

http://webpageserver.cpuc.ca.gov/published/service_lists/A0211017_49667.htm.

7. Discovery

In its PHC statement, PG&E proposes the use of web-based discovery protocols. PG&E's proposed web-based protocols provide that service of the discovery response is complete once PG&E posts its response on its website and PG&E sends an e-mail indicating that the response has been posted for internet access. PG&E's protocols also provide that PG&E would not be required to furnish hard copies of discovery responses to any party that has access to PG&E's website, except for those portions of a response that are not available

electronically or which include confidential material. PG&E would of course provide hard copies to any party who does not have internet access.

At the PHC, parties discussed whether it would be possible for PG&E to attach an e-mail copy of the response to the party that propounds the data request. In lieu of attaching a copy of the actual response, PG&E suggests that the notification email contain a link to the “New Postings” page of the discovery website to facilitate access to the response. I will approve this approach but am open to modification of the protocols if experience warrants. In addition, I do not approve any particular form of “Usage Agreement,” but leave it to the parties to work out the details to facilitate access. If parties experience difficulty with use of the discovery website, they should report to the ALJ, and we will reconsider this approach.

Parties did not raise any issues or questions regarding discovery disputes at the PHC. I take the apparent absence of such issues as a positive sign, and urge the parties to continue to work cooperatively to submit timely data requests and responses thereto. If any party believes specific discovery rules or timelines are necessary for this proceeding, such concerns should be brought to the attention of the ALJ.

8. Intervenor Compensation

The PHC in this matter was held January 28, 2003. Pursuant to § 1804(a)(1), a customer who intends to seek an award of compensation should file and serve a notice of intent to claim compensation not later than February 27, 2003. A separate ruling will address eligibility to claim compensation.

9. Procedural Ground Rules

The ground rules set forth in Appendix C are intended to promote fair and orderly hearings and efficient use of hearing time, and are hereby adopted for this proceeding.

Therefore, **IT IS RULED** that:

1. The scope of this proceeding is described in Section 3 for Pacific Gas and Electric Company's (PG&E) Test Year 2003 General Rate Case. Additional testimony shall be served as described in this section.
2. Energy Division and the Consumer Protection and Safety Division shall serve the reports described in Section 4.
3. The schedule of this proceeding is as set forth in Section 5 in this ruling.
4. This ruling confirms the Commission's preliminary finding in Resolutions ALJ 176-3103 and ALJ 176-3095 and Investigation 03-01-012 that the category for these proceedings is ratesetting and that hearings are necessary. This ruling, only as to category, is appealable under the procedures in Rule 6.4.
5. The *ex parte* rules as set forth in Rule 7(c) of the Commission's Rules of Practice and Procedure apply to this application.
6. Administrative Law Judge Cooke is the principal hearing officer and will be replaced by Administrative Law Judge Halligan in June 2003.
7. The official service list is attached to this ruling. Parties should serve all filings as set forth in Section 6 of this Ruling.
8. Web-based discovery protocols are discussed on Section 7. If parties experience difficulty with use of the discovery website, they should report to the ALJ so we may reconsider the adopted protocols.
9. Any party requesting final oral argument before the Commission shall make such request on the date set for filing of concurrent opening briefs.

Dated February 13, 2003, at San Francisco, California.

/s/ MICHAEL R. PEEVEY

Michael R. Peevey
Assigned Commissioner

APPENDIX A

Outline for Supplemental Testimony: PG&E Reliability Performance

1. Recorded Outage Statistics

1.1. Information on Service Quality by Region

- Are there differences in service quality by district (including information from each circuit within each district)?
- Description of how service quality and types of activities that are top priorities depend on district or region.
- A detailed map of PG&E's territory that shows where each district and division is located.

1.2. Safety and Reliability Metrics by Circuit as well as by Geographic Region (with Ability to Determine Where Each Circuit is Located)

- Clearly delineate circuits (by district and division) that fall below the level of adequate service, as defined by reliability metrics set in D.00-05-022.
- Include PG&E's plans for improvement, if any, or explanation of why the performance in those areas with the sub-standard metrics is reasonable.
- List 10 worst performing circuits since 1996 (including the district and division where each circuit is located). If circuits reoccur, explain why the situation hasn't been corrected, or why the outages are reasonable.

1.3. Reporting on Outages

- Listing of cause of outages, by year, by division for last five years.
- Identify outages caused by trees outside of PG&E's right of way (such as tall tree outside of PG&E right of way that fell into lines, or perhaps branches from dead tree located on privately owned land, where landowner did not grant access).
- Are there correlations between causes of outages and characteristic of the affected circuit (i.e., is there a "most common" type cause of outage for each district/division)?
- How does utility track cause of outages, and examine for trends, respond to trends and try to proactively avoid outages?
- What is the process used to estimate outage duration?

- Describe the system used to track the amount of time it takes for repair crews to show up to the outage site. Provide statistics, for the past five years, giving the average amount of time it takes (by season) for crews to respond to outages in each district.
- With respect to December 2002 storms, explain how PG&E's actions met standards and requirements of D.00-05-022.

2. Managing PG&E's system to maintain reliability

2.1. Information on reliability staffing and availability of materials and equipment (for the past five years)

- Annual numbers of repair and maintenance personnel in each personnel classification by division (break out personnel as full-time, part-time, and contractor, including any other groups that may apply).
- Annual level of trucks and equipment devoted full-time to reliability work.
- Number of repair and maintenance personnel in each personnel classification available for Emergency Response (by district) for past five years.
 - Number of emergency response crews available for past five years.
 - Explain process and options such as mutual assistance agreements, contract labor, shifting internal resources for responding to outages.
 - Explain criteria used to deploy resources efficiently and effectively to secure safe operations and restore service.
 - Describe PG&E's experience with contractor crews in responding to outages. How well did contractors respond to the December 2002 storms compared to PG&E's full-time staff?
- Dollars spent on necessary maintenance, by division.
- Explain decision-making process used to prioritize spending on maintenance, asset replacement and reliability projects for funds authorized in A.00-02-046.
- How was spending over the last five years tied to performance?
 - What benchmarks does PG&E use to determine if the money spent on reliability and maintenance activities are providing significant benefit?
 - Provide studies (in-house or external) examining relationships between system outages due to storms and maintenance practices.

2.2. Information on inspections

- Annual expenses for inspections over the past five years (by division).
- Number of infractions or equipment needing repairs found per unit of work (if PG&E tracks this by mile of circuit, hours of inspections, etc?).
- Describe any adjustments PG&E management has made to the inspection process since the 1999 GRC that have improved the prioritization process or addressed shortcomings in previous inspection methods.
- What changes in inspection protocols, if any, is PG&E management considering after the storms of December 2002 and the issues facing Burlingame?

2.3. Budget setting and expenditures

- Comparisons of what was authorized in 99 GRC, in terms of anticipated staffing levels and expenditure levels, by year, and:
 - Actual staffing levels
 - Actual budgeted levels
 - Actual spending levels
 - Explanation of the differences

3. Call Center Performance (Especially During Outages)

3.1. Information on call center performance (for the past five years)

- What metrics does PG&E use to measure performance at call centers?
 - Commission required
 - Internal developed, other relevant metrics (national, other CA utilities)
- Compare annual performance to relevant performance metrics; compare performance during emergency/outage conditions.
 - At a minimum, utilize customer hold time, call volumes, number and percentages of disconnects,
- How do staffing levels correlate to meeting performance metrics?
- What metrics are used to assess accuracy of information being conveyed by IVRU/21st Century Voice Response Unit/Call Center Staff during outages?
 - Compare reports to customers of outages/service restoration times with actual outage duration and time to restore service.
- Describe the process by which field personnel keep call center staff

informed of latest information regarding outages and service restoration.

3.2. Budget setting and expenditures

- Comparisons of what was authorized in 99 GRC, in terms of anticipated staffing levels and expenditure levels, by year, and:
 - Actual staffing levels
 - Actual budgeted levels
 - Actual spending levels
 - Explanation of the differences

4. Going-Forward Performance Metrics

Propose metrics by which PG&E's performance should be judged (going forward) with respect to reliability, outage response, call center performance, or other relevant measures. Address whether these metrics should be system-wide or division/district/circuit specific.

(END OF APPENDIX A)

APPENDIX B

Document Website Posting Procedures

Pacific Gas and Electric Company (PG&E) has established a dedicated e-mail address to facilitate development of the "Document Website" for the Test Year 2003 General Rate Case. Parties and the public can access documents posted to the website at <http://www.pge.com>. (Select "Rates and Regulations," then "CPUC and FERC Regulatory Cases," then "Search for Case Documents." Under "Properties Search," select "GRC 2003 Ph 1.")

Each party shall send all public version documents that are required to be either filed or served to GRC2003documents@pge.com as an attachment. In the case of documents containing confidential material subject to Pub. Util. Code § 583 or a non-disclosure agreement, a redacted copy shall be sent to the above email address. For documents PG&E receives during normal business hours (M-F, 8:30 a.m. to 5:00 p.m.), PG&E shall post the document within three hours after receipt; for documents PG&E receives outside normal business hours, PG&E shall post the document by 11:30 a.m., the next business day. In the event that a document is not timely posted, PG&E's shall promptly post the document after discovery of the error.

To eliminate differences in pagination upon printing, parties should save their documents using Microsoft Office 1997/2000 (Word, Excel and Powerpoint) or Adobe Portable Document Format (.pdf). Files converted by Adobe Acrobat from other document formats are preferred to files that contain scanned images due to file size and searchability features.

Parties to the case who do not have access to the web shall be served with paper copies, as is normally the case.

(END OF APPENDIX B)

APPENDIX C

PROCEDURAL GROUND RULES

Exhibit Format

See Rule 70 of the Rules of Practice and Procedure. Parties often fail to include a blank space two inches high by four inches wide to accommodate the ALJ's exhibit stamp. If necessary, add a cover sheet to the front of the exhibit. The common practice of pre-printing the docket number, a blank line for the exhibit number, and witness names(s) is acceptable, but it is not a substitute for the required two- by four-inch blank space to accommodate the exhibit stamp.

Exhibits should be bound on the left side or upper left-hand corner. Rubber bands and paper clips are unacceptable.

Excerpts from lengthy documents should include the title page and, if necessary for context, the table of contents of the document.

While Rule 2 permits a type size of no smaller than 10 points in filed documents, parties are asked to use a type face of no smaller than 12 points wherever practicable.

Exhibit Copies

See Rule 71. The original and one copy of each exhibit shall be furnished to the principal hearing officer and a copy shall be furnished to the reporter and to each party. The copy furnished to the principal hearing officer may be the mailed copy. Except for exhibits that are served prior to the hearing, parties are responsible for having sufficient copies available in the hearing room for each party in attendance.

Cross-Examination Exhibits

Providing witnesses time to review new or unfamiliar documents can waste hearing time. The general rule is that a party who intends to introduce an exhibit in the course of cross-examination should provide a copy to the witness and the witness' counsel before the witness takes the stand on the day the exhibit is to be introduced. Documents in excess of two pages should be provided the day before. Generally, parties need not provide advance copies of documents to be used for impeachment or to obtain the witness' spontaneous reaction.

Corrections

The practice of making extensive oral corrections to exhibits on the witness stand, requiring lengthy dictation exercises, causes delays. It should be avoided to the extent possible, through preparation of written errata. Corrections should be made in a timely manner by providing new exhibit pages on which corrections appear. The original text to be deleted should be lined out with the substitute or added text shown above or inserted. Each correction page should be marked with the word "revised" and the revision date. Exhibit corrections will receive the same number as the original exhibit plus a letter to identify the correction. For example, Exhibit 5-A is the first correction to Exhibit 5.

Hearing Hours

Hearings will generally run from 9:00 a.m. to 12:00 a.m., with at least one morning break and from 1:30 p.m. to 3:30 p.m., with one afternoon break. Upon request, and assuming that hearings appear to be on schedule, hearings may run from 9:00 a.m. to 1:00 p.m., on Fridays.

Cross-Examination Time

Parties are placed on notice that it may be necessary to limit and allocate cross-examination time as well as time for redirect and re-cross-examination.

Rebuttal Testimony

Prepared rebuttal testimony should include appropriate references to the testimony being rebutted. It is inappropriate, and a potential grounds for striking, for any party to hold back direct presentations for introduction in rebuttal testimony.

Court Reporters

Common courtesy should always be extended to the reporters. Counsel should wait for witnesses to finish their answers, and witnesses should likewise wait for the whole question to be asked before answering. Counsel shall refrain from simultaneous arguments on motions and objections. Conversations at the counsel table or in the audience can be distracting to the reporter and other participants. Such distractions should be avoided.

(END OF APPENDIX C)

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(END OF APPENDIX D)

CERTIFICATE OF SERVICE

I certify that I have by electronic mail to the parties to which an electronic mail address has been provided and by mail to parties for whom an electronic mail address was not provided, this day served a true copy of the original attached Assigned Commissioner's Ruling Establishing Scope, Schedule, and Procedures for Proceeding on all parties of record in this proceeding or their attorneys of record.

Dated February 13, 2003, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

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